January 6, 2003

Lt. Colonel Michael McCormick
District Engineer
U.S. Army Corps of Engineers
333 Market Street
San Francisco, CA 94105-2197

Subject: Coyote Creek at Rockspring Project (SCVWD Project No. 402101)
Termination of Feasibility Cost-Sharing Agreement

Dear Lt. Colonel McCormick:

This letter requests that the United States Army Corps of Engineers (Corps) discontinue work on the Coyote Creek at Rockspring Project and terminate the Feasibility Cost-Sharing Agreement (FCSA). As you are aware this project was being jointly pursued by the Corps and District under Section 205 of the Continuing Authorities Program. This request to terminate the agreement is based on preliminary project cost estimates and benefit-to-cost (B/C) ratios provided to the District in a February 25, 2002, letter from Lt. Col. Timothy O'Rourke of the San Francisco District (Attachment A). We have reviewed the information provided in the letter and recognize that the B/C ratio cannot improve enough for this project to be in the Federal interest. Consequently, on December 17, 2002, the District Board approved the decision to terminate the study.

Consistent with the terms of the FCSA, we are requesting reimbursement of unexpended funds remaining which the District deposited with the Corps to prepare the feasibility study. Furthermore, we request copies of all data and information generated as part of the study. This information will assist us if funds become available and the District decides to pursue this project without Federal participation.

If you have any questions, please contact Marc Klemencic, our Coyote Watershed Manager, at (408) 265-2600, or me, at the same telephone number.

Sincerely,

Stanley M. Williams
Chief Executive Officer

Attachment A – February 25, 2002 letter from Lt. Col. Timothy O'Rourke to Steve Wrightson

cc: W.Wadlow, J.Fiedler, M. Klemencic, G. Fowler, L. Melton, S. Wrightson, S. Bui, C.Forstner, File 4.1

Mr. James Miller
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